

REPRINT

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4485**

(As Passed the Senate October 21, 1999)

A bill to amend 1980 PA 350, entitled  
"The nonprofit health care corporation reform act,"  
(MCL 550.1101 to 550.1704) by adding section 402c.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 402C. (1) IF PARTICIPATION BETWEEN A PRIMARY CARE PHY-  
2        SICIAN AND A HEALTH CARE CORPORATION TERMINATES, THE PHYSICIAN  
3        MAY PROVIDE WRITTEN NOTICE OF THIS TERMINATION WITHIN 15 DAYS  
4        AFTER THE PHYSICIAN BECOMES AWARE OF THE TERMINATION TO EACH  
5        MEMBER WHO HAS CHOSEN THE PHYSICIAN AS HIS OR HER PRIMARY CARE  
6        PHYSICIAN. IF A MEMBER IS IN AN ONGOING COURSE OF TREATMENT WITH  
7        ANY OTHER PHYSICIAN WHO IS PARTICIPATING WITH THE HEALTH CARE  
8        CORPORATION AND THE PARTICIPATION BETWEEN THE PHYSICIAN AND THE  
9        HEALTH CARE CORPORATION TERMINATES, THE PHYSICIAN MAY PROVIDE  
10       WRITTEN NOTICE OF THIS TERMINATION TO THE MEMBER WITHIN 15 DAYS  
11       AFTER THE PHYSICIAN BECOMES AWARE OF THE TERMINATION. THE

1 NOTICES UNDER THIS SUBSECTION MAY ALSO DESCRIBE THE PROCEDURE FOR  
2 CONTINUING CARE UNDER SUBSECTIONS (2) AND (3).

3 (2) IF PARTICIPATION BETWEEN A MEMBER'S CURRENT PHYSICIAN  
4 AND A HEALTH CARE CORPORATION TERMINATES, THE HEALTH CARE CORPO-  
5 RATION SHALL PERMIT THE MEMBER TO CONTINUE AN ONGOING COURSE OF  
6 TREATMENT WITH THAT PHYSICIAN AS FOLLOWS:

7 (A) FOR 90 DAYS FROM THE DATE OF NOTICE TO THE MEMBER BY THE  
8 PHYSICIAN OF THE PHYSICIAN'S TERMINATION WITH THE HEALTH CARE  
9 CORPORATION.

10 (B) IF THE MEMBER IS IN HER SECOND OR THIRD TRIMESTER OF  
11 PREGNANCY AT THE TIME OF THE PHYSICIAN'S TERMINATION, THROUGH  
12 POSTPARTUM CARE DIRECTLY RELATED TO THE PREGNANCY.

13 (C) IF THE MEMBER IS DETERMINED TO BE TERMINALLY ILL PRIOR  
14 TO A PHYSICIAN'S TERMINATION OR KNOWLEDGE OF THE TERMINATION AND  
15 THE PHYSICIAN WAS TREATING THE TERMINAL ILLNESS BEFORE THE DATE  
16 OF TERMINATION OR KNOWLEDGE OF THE TERMINATION, FOR THE REMAINDER  
17 OF THE MEMBER'S LIFE FOR CARE DIRECTLY RELATED TO THE TREATMENT  
18 OF THE TERMINAL ILLNESS.

[ (D) IF A MEMBER IS DIAGNOSED WITH CANCER PRIOR TO A  
PHYSICIAN'S TERMINATION OR KNOWLEDGE OF THE TERMINATION AND THE  
PHYSICIAN WAS TREATING THE CANCER BEFORE THE DATE OF TERMINATION OR  
KNOWLEDGE OF THE TERMINATION, FOR THE REMAINDER OF THE MEMBER'S LIFE  
FOR CARE DIRECTLY RELATED TO THE TREATMENT OF THAT CANCER.

(E) IF A MEMBER IS 65 YEARS OLD OR OLDER, FOR THE REMAINDER OF  
THE MEMBER'S LIFE.]

19 (3) SUBSECTION (2) APPLIES ONLY IF THE PHYSICIAN AGREES TO  
20 ALL OF THE FOLLOWING:

21 (A) TO PARTICIPATE ON A PER CLAIM BASIS AND TO ACCEPT AS  
22 PAYMENT IN FULL REIMBURSEMENT FROM THE HEALTH CARE CORPORATION AT  
23 THE RATES APPLICABLE PRIOR TO THE TERMINATION.

24 (B) TO ADHERE TO THE HEALTH CARE CORPORATION'S STANDARDS FOR  
25 MAINTAINING QUALITY HEALTH CARE AND TO PROVIDE TO THE HEALTH CARE  
26 CORPORATION NECESSARY MEDICAL INFORMATION RELATED TO THE CARE.

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1 (C) TO OTHERWISE ADHERE TO THE HEALTH CARE CORPORATION'S  
2 POLICIES AND PROCEDURES, INCLUDING, BUT NOT LIMITED TO, THOSE  
3 CONCERNING UTILIZATION REVIEW, REFERRALS, PREAUTHORIZATIONS, AND  
4 TREATMENT PLANS.

5 (4) A HEALTH CARE CORPORATION SHALL PROVIDE WRITTEN NOTICE  
6 TO EACH PARTICIPATING PHYSICIAN THAT IF PARTICIPATION BETWEEN THE  
7 PHYSICIAN AND THE HEALTH CARE CORPORATION TERMINATES, THE PHYSI-  
8 CIAN MAY DO BOTH OF THE FOLLOWING:

9 (A) NOTIFY THE HEALTH CARE CORPORATION'S MEMBERS UNDER THE  
10 CARE OF THE PHYSICIAN OF THE TERMINATION IF THE PHYSICIAN DOES SO  
11 WITHIN 15 DAYS AFTER THE PHYSICIAN BECOMES AWARE OF THE  
12 TERMINATION.

13 (B) INCLUDE IN THE NOTICE UNDER SUBDIVISION (A) A DESCRIP-  
14 TION OF THE PROCEDURES FOR CONTINUING CARE UNDER SUBSECTIONS (2)  
15 AND (3).

16 (5) THIS SECTION DOES NOT CREATE AN OBLIGATION FOR A HEALTH  
17 CARE CORPORATION TO PROVIDE TO A MEMBER COVERAGE BEYOND THE MAXI-  
18 MUM COVERAGE LIMITS PERMITTED BY THE HEALTH CARE CORPORATION'S  
19 CERTIFICATE WITH THE MEMBER.

20 (6) AS USED IN THIS SECTION:

21 (A) "PHYSICIAN" MEANS AN ALLOPATHIC PHYSICIAN OR OSTEOPATHIC  
22 PHYSICIAN.

23 (B) "TERMINAL ILLNESS" MEANS THAT TERM AS DEFINED IN SECTION  
24 5653 OF THE PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.5653.

25 (C) "TERMINATES" OR "TERMINATION" INCLUDES THE NONRENEWAL,  
26 EXPIRATION, OR ENDING FOR ANY REASON OF A PARTICIPATION AGREEMENT  
27 BETWEEN A PHYSICIAN AND A HEALTH CARE CORPORATION, BUT DOES NOT

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1 INCLUDE A TERMINATION BY THE HEALTH CARE CORPORATION FOR FAILURE  
2 TO MEET APPLICABLE QUALITY STANDARDS OR FOR FRAUD.

3 Enacting section 1. This amendatory act takes effect July  
4 1, 2000.